

## McPherson County

8/31/2020

### Background Statistics<sup>1</sup>

Number of farms: 988

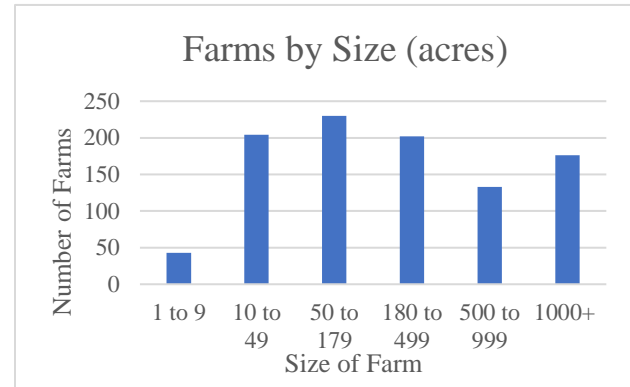
Average size: 565 acres

Land in farms: 558,094 acres

Average value of products sold per farm: \$156,919

Average net cash farm income per farm: \$32,240

1: Data from USDA 2017 Census of Agriculture



## Estimated Economic Contribution of Agriculture and Agriculture Related Sectors to the McPherson County Economy

### Methodology

The estimated economic contribution of agriculture and agriculture related sectors was computed using the most recent IMPLAN data available (2018) adjusted for 2020. The IMPLAN modeling system was used to calculate the results of this analysis. The IMPLAN model was constructed so that double counting was avoided. For this report, 28 of the 71 agriculture and agriculture related sectors in Kansas were identified and analyzed to determine their overall contribution to the McPherson County economy.

### Results

These 28 sectors have a total direct output of approximately **\$507.2 million** and account for **1,945 jobs** in McPherson County. Running the model for all 28 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall McPherson County Economy					
Contribution Type	Employment	% Employment	Total Value Added	% of Gross Regional Product	Output
Direct Effect	1,945	9%	\$146,800,000	5%	\$507,200,000
Indirect Effect	291	1%	\$22,500,000	1%	\$53,100,000
Induced Effect	340	2%	\$22,200,000	1%	\$41,600,000
<b>Total Effect</b>	<b>2,576</b>	<b>12%</b>	<b>\$191,500,000</b>	<b>6%</b>	<b>\$601,800,000</b>

**NOTE:** Individual effects may not equal the total effect due to rounding.

As shown in the above table, agriculture, food, and food processing sectors support a total of **2,576 jobs**, or **12%** of the entire workforce in the county. The total final sales of all products in these sectors is approximately **\$601.8 million**.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of Gross Regional Product (GRP). Total value added by the 28 agriculture, food, and food processing sectors is approximately **\$191.5 million**, or **6%** of the GRP.

## Top Ten Sectors by Employment

Out of the agriculture and agriculture related sectors, beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming is the top employer with **598 jobs**. This table also illustrates the top ten sectors by total employment, including direct, indirect, and induced effects in McPherson County.

Sector	Total Employment
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	598
Grain farming	326
Farm machinery and equipment manufacturing	237
Landscape and horticultural services	163
Support activities for agriculture and forestry	157
Other real estate	78
All other crop farming	74
Frozen specialties manufacturing	66
Veterinary services	55
Animal production, except cattle and poultry and eggs	47

## Top Ten Sectors by Output

This table shows how much revenue is generated in other sectors by having a strong agriculture industry, including direct, indirect, and induced effects. The farm machinery and equipment manufacturing sector is the top contributor, with approximately **\$102.4 million** to the McPherson County economy.

Sector	Total Output
Farm machinery and equipment manufacturing	\$102,400,000
Wet corn milling	\$73,300,000
Grain farming	\$68,300,000
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	\$51,900,000
Support activities for agriculture and forestry	\$49,500,000
Flour milling	\$35,400,000
Oilseed farming	\$30,200,000
Frozen specialties manufacturing	\$26,200,000
Animal, except poultry, slaughtering	\$16,200,000
Other animal food manufacturing	\$14,800,000

## All Direct Sectors

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the McPherson County economy. IMPLAN sectors are assigned based on North American Industry Classification System (NAICS) codes. Generally, this analysis includes three categories; production, manufacturing/processing, and services. Note that this analysis does not include wholesale or retail sales of final products, or ethanol production.

Sector	Total Output	Total Employment
Farm machinery and equipment manufacturing	\$102,398,301.69	237.33
Wet corn milling	\$73,331,670.75	35.53
Grain farming	\$68,310,064.20	325.88
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	\$51,914,415.70	598.01
Support activities for agriculture and forestry	\$49,465,807.91	156.69
Flour milling	\$35,357,897.07	28.70
Oilseed farming	\$30,247,834.08	43.56
Frozen specialties manufacturing	\$26,177,324.69	66.12
Animal, except poultry, slaughtering	\$16,159,614.66	22.51
Other animal food manufacturing	\$14,825,078.74	13.11
Breweries	\$8,633,958.14	18.92
Landscape and horticultural services	\$7,138,365.45	163.45
Poultry and egg production	\$6,056,564.65	9.86
Animal production, except cattle and poultry and eggs	\$4,711,795.76	47.48
Veterinary services	\$4,162,728.11	55.10
All other crop farming	\$1,838,572.12	74.25
Bread and bakery product, except frozen, manufacturing	\$1,815,454.85	14.72
Dairy cattle and milk production	\$1,572,208.31	4.19
Frozen cakes and other pastries manufacturing	\$1,213,768.70	14.74
Other snack food manufacturing	\$552,439.50	1.05
Roasted nuts and peanut butter manufacturing	\$429,122.34	1.04
Vegetable and melon farming	\$287,029.38	2.34
Commercial logging	\$228,626.41	4.03
Greenhouse, nursery, and floriculture production	\$112,945.57	0.93
Commercial hunting and trapping	\$102,801.49	4.23
Forestry, forest products, and timber tract production	\$83,896.46	1.00
Fruit farming	\$42,044.72	0.38
Tree nut farming	\$4,809.39	0.11

The following terms are used throughout the results shown in this report:

- **Direct effect:** the contribution from agricultural and food products
- **Indirect effect:** the contribution from farms and agricultural businesses purchasing inputs from supporting industries within the state
- **Induced effect:** the contribution from employees of farms, agricultural businesses, and supporting industries spending their wages on goods and services within the state
- **Value added** = labor income + indirect business taxes + other property type income
- **Gross Regional Product** = final demand of households + government expenditures + capital + exports – imports – institutional sales
- **Output** = intermediate inputs + value added
- **Employment:** full-time/part-time annual average i.e., 1 job lasting 12 months = 2 jobs lasting 6 months each = 3 jobs lasting 4 months each. A job is neither full-time nor part-time.
- Due to confidentiality policies that exist within several agencies from which IMPLAN collects their data, some sectors in some regions may not have all data available.

For more information, contact the Division of Agricultural Marketing, Advocacy and Outreach Agency Economist  
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